(2) As part of the modernisation of the Mints and with a view to increasing production capacity of the Mints, 22 new Coining Presses have been installed, partly as replacement and partly as additions. Orders for 14 more coining presses are being placed on H.M.T.

(3) In order to supplement the supply from the three Mints, coins in the denominations of Re. 1/-, 50P and 25P are being imported; between September, 1985 and 22-2-1986, 1137.02 million pieces of coins have been received from abroad and they are being distributed.

(4) A new Mint is being established at Noida, U.P. with a capacity for an annual production of 2000 million pieces of coins. This is expected to go into production in 1988-89.

(5) The nationalised banks have been advised to collect coins from RBI's Offices or from branches of State Bank of India having Currency Chests/Small Coin Depots and arrange for their distribution through their branches, if necessary, by opening special counters.

(6) All public sector banks have been advised to identify centres for establishment of Small Coin Depots Currency Chests where such Depots/Chests do not exist or where they exist, but are not adequate and approach RBI with their proposals.

(7) RBI have identified areas where coin shortage is felt and steps have been taken to supply coins to such areas.

(8) Arrangements have been made to disburse part of the salary, say Rs. 20 per month, in coins to each of the employees of the Central Government and public sector undertakings. State Governments and Union Territories have also been advised to disburse every month part of the salary to their staff in coins.

Creation of more non-resident circles

913. SHRI DINKARRAO GOVINDRAO PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to create more Non-resident Circles in the country; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) Non-resident Circles at Delhi, Calcutta, Madras, Cochin and Ahmedabad have recently been created with effect from 15-1-1986 in addition to the already existing Non-resident Refund Circles at Bombay.

Kapoor Committee recommendations on export of engineering and capital goods

914. SHRI PARVATHANENI UPENDRA: Will the Minister of COMMERCE be pleased to state:

(a) what are the main recommendations of the D. V. Kapoor Committee on export of engineering and capital goods;

(b) whether Government held any consultations with the engineering goods exporters on the basis of the recommendations; and

(c) if so, what steps Government propose to take on these recommendations and what are the detailed guidelines for increasing the export of engineering goods?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) The D.V. Kapoor Committee has assessed that given our natural resources and skilled manpower a good base exists for achieving substantial increase in the area of engineering exports. For this the Committee recommended a two pronged strategy, namely:

(1) Continuation and strengthening of existing broad system of incentives for export which would include provision of raw material at international price and compensation for disadvantages arising out of domestic taxation etc.

(2) To make basic structure of our domestic industry internationally competitive in terms of technology, quality and cost. For this purpose, the Committee has recommended special efforts on a more selective basis by selection of a few 'thrust' industries in which the existing industrial structure is sufficiently developed and in which we have a potential comparative advantage. The Committee recommended that these industries be offered special policy environment keeping in view the considerations of optimum scale of production, technological modernisation and competition with a view to make them internationally competitive. The principle of selectivity was also recommended in case if export market and export of projects.

(b) Yes, Sir.

(c) Detailed exercises for drawing up production and export plans for individual 'thrust industries' are being undertaken by Commerce and Industry Ministries in consultation with other ministries. The Government has also taken a series of measures for liberalisation of industrial licencing policies and introduction of new technology with a view to increase the international competitiveness of domestic industry. Decision has also been taken to extend the cash compensatory scheme beyond 31-3-1986 and provide for compensation to industry for the cascading effect of domestic taxes. Additionally, alloys and other types of steels have been included in the International Price Reimbursement Scheme to provide steel materials at international price for export production. The Import-Export Passbook scheme has been introduced with effect from 1-1-86 for manufacturer-exporters with a view to provide easy access to duty free imports for export production.

Impact of price hike on commodities on price indices

916. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) the total impact on the wholesale price index and consumer price index respectively of the recent hikes in the administered prices of coal, wheat, rice, fertilisers and petroleum products announced by Government;

(b) the total revenue anticipated as a result of these hikes in prices; and

(c) what steps Government propose to take to provide relief to the common man?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a)The direct impact of the recent revisions during January and February, 1986 in administered prices of coal, fertilisers and petroleum products and issue prices of wheat and rice on the Wholesale Price Index is estimated to be 0.7 per cent. The Wholesale Price Index for 8th February, 1986 included the changes in respect of prices of petroleum products, rice and wheat and recorded a fall of 0.1 per cent in that week. Wholesale Price Index available upto 15th February, 1986 however shows a fall of 0.1 per cent in that week. The Consumer Price Index for Industrial Workers (1980-100) is available only upto December, 1985.